

# The Economist

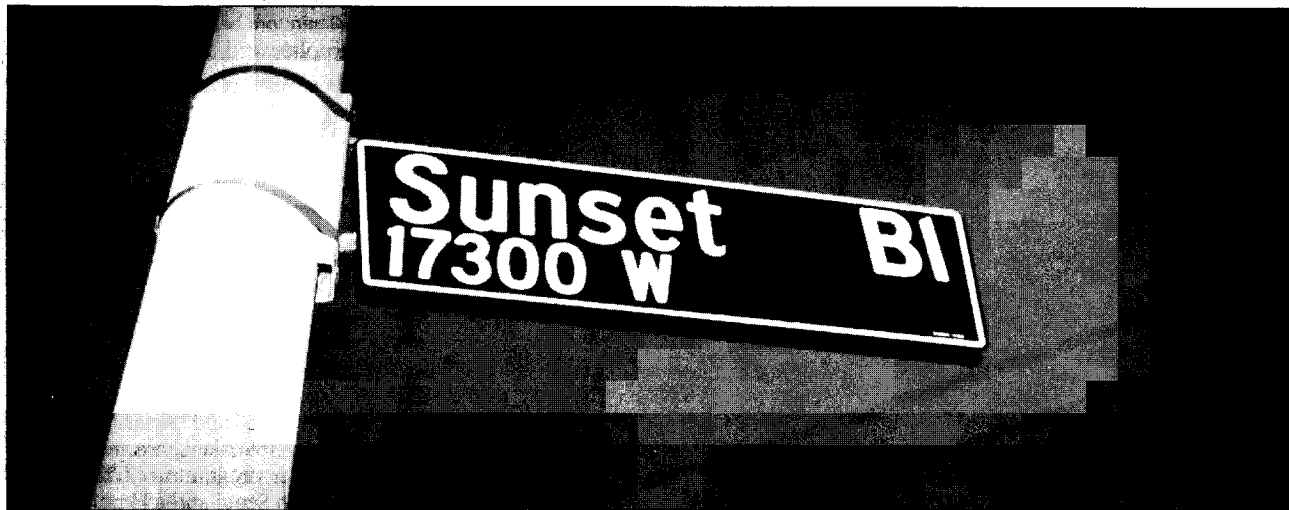
A SURVEY OF THE UNITED STATES



The new  
Americans



# THE UNITED STATES



Oh, say, can you see?

**I**F YOU are looking for a parable of the rich variety of life in America, you could do worse than to take a drive along one of its most famous streets. Sunset Boulevard snakes away from the Pacific Ocean into the hills of rich west Los Angeles. In plush Brentwood, the only non-white faces are Latino maids and gardeners. As Sunset skirts Bel Air, elegant banners tell you what is happening at that haven of Eurocentric civilisation, the Getty Centre. Then comes the garish Sunset strip, where Tinseltown's blonde-studded billboards trumpet America's domination of the entertainment industry.

As Sunset works its way through Hollywood, you pass a sort of no man's land—or should it be everyman's land?—where El Pollo Loco, Hoy's Wok and a restaurant called Uzbekistan nestle beside Burger King. One shop claims to be "The Crossroads of the World". Gradually the number of Spanish signs increases. Television stations point out that they broadcast "Todo el día en español"; a website called quepasa.com urges Spanish speakers to get online. As you near Dodger Stadium, most dry cleaners and hairdressers have become *lavenderias* and *peluquerias*—although some shop-signs mix the languages, as in "Bonita y Cheap".

At the very end of Sunset lie two surprises. The first is a brief spell in Chinatown: suddenly Asian schoolchildren replace Hispanic ones, and Spanish signs give way to Chinese ones. The second is that soon afterwards Sunset becomes Cesar Chavez Avenue, after the leader of the Latino farm workers' movement.

The point about this journey down Sunset is that it is far from exceptional. Some Los Angeles would say that Wilshire or Olympic Boulevard offer an even more cosmopolitan hodge-podge. In Chicago, Fullerton Avenue begins in rich white Lincoln Park, but soon takes you on a global walkabout through different parts of Eastern Europe and Latin America. In Queens, New York, a ride on the num-

ber seven subway train above Roosevelt Avenue offers you a quick demonstration that this is indeed the world's most ethnically diverse country.

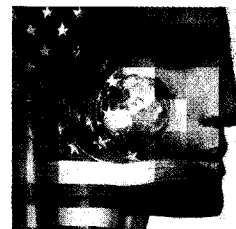
And why stop at the immigrants' familiar haunts? Iowa has been quietly importing Bosnians and Sudanese to rejuvenate its ageing population. In Silicon Valley, whites are now an acknowledged minority. Levittown, Pennsylvania, the quintessential American suburb, boasts a Turkish mosque. In Orange County, the home of John Wayne Airport, the two first children to be born this millennium were Cambodian-American and Mexican-American. Detroit claims to be the Arab capital of America. Miami used to be thought of as a Cuban enclave, but is becoming more Haitian, more Jamaican, more all sorts of things. The mayor of Miami-Dade, Alex Penelas, says his region is home to 156 nationalities.

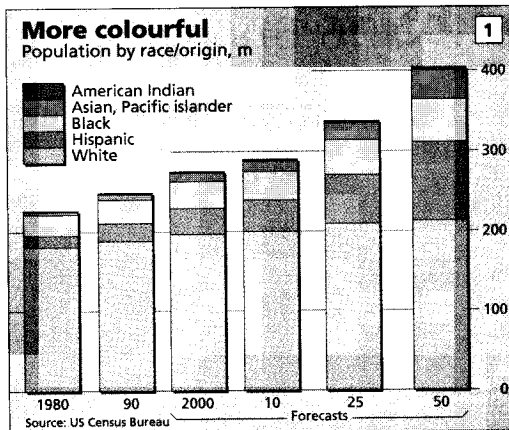
## Latinos' turn

In the 1950 census, America was 89% white and 10% black. Other races hardly got a look-in. Now Latinos account for around 12% of the population. Within the next five years, they will overtake blacks to become the largest minority group. If current trends continue, they will be the majority in Los Angeles County in ten years. In 20 years, they will dominate Texas and California. By 2050, one in four of the 400m people who will then be living in the United States will be Latino—and if you add in Asians, their joint share will be one in three (see chart 1, next page). The bulk of the "new Americans" on whom this survey will concentrate are Latinos and Asians, although there are also newcomers among the "white" and "black" groups.

The rise of these new Americans is being fuelled by immigration (see chart 2, next page). Every year roughly a million new people arrive (700,000 legally, 300,000 illegally); more than in any other country in absolute numbers, though not as a proportion of the population. Once settled, the immigrants generally

*Immigration will reshape America more profoundly than trade or technology, argues John Micklethwait*





have more children than their neighbours (an average of around three per woman, compared with 1.8 for non-Hispanic white women). Since 1990, the number of foreign-born American residents has risen by 6m to just over 25m in the biggest immigration wave since the days when newcomers from Europe crowded on to Ellis Island around the turn of the 20th century. Half of the 50m new inhabitants expected in America in the next 25 years will be immigrants or the children of immigrants.

So what is new? In America's short modern history, heavy immigration has been the rule; remember America's motto, *e pluribus unum*. In the period from 1850 to 1920, roughly one in eight Americans was foreign-born. As Michael Barone, a columnist for *US News and World Report*, has put it: "Ethnic diversity is as American as apple pie—or soul food or tacos or dim sum."

Indeed; and the effect of the current wave of immigrants seems likely to be every bit as momentous as that of the last great wave a century ago. In fact, it may turn out to be even more influential, for three reasons. To begin, America is now a well-established place rather than a frontier wilderness. Immigrants are no longer simply filling up empty space. Second, people have arguably become even more important than they were. A hundred years ago, Henry Ford complained that when he hired a pair of hands, he also got a human being; for the kind of work on offer in his factories, that was more of a hindrance than a help. Nowadays all the vogueish economic forces—the New Economy, globalisation, technology—emphasise the importance of human capital.

The third (and politically incorrect) point is that the current arrivals are different from their European predecessors—and many of them look different too. Xavier Becerra, a young congressman with an office in the most Latino part of Sunset Boulevard, explains that "I am always identified before I identify." Next, thanks to a mixture of improved technology and geographical proximity, Latinos feel (and are) much closer to their homelands than earlier European immigrants. They also have a common language that can at least put up a decent fight against English.

This survey will seek to answer three fundamental questions: Is the melting pot still working? If so, is it good for America? And how will this latest wave of New Americans change their chosen country? As for the first two, most of the available evidence suggests that the melting pot is still bubbling

away, and benefiting everybody. But there is a danger of overstating those benefits. Immigration plainly has its losers as well as its winners, and in economic terms the easily measurable pluses appear to be small. There are big doubts about America's immigration policy and its laws, and big worries over whether its education system can cope.

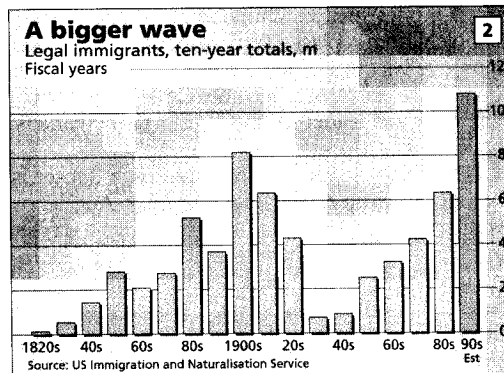
The third question might best be answered in culinary terms. If you add new ingredients to a thick stew, those ingredients are bound to lose some of their particular tang—but they will also change the flavour of the stew. Among other things, immigrants are helping to drag the country south-westward; they are changing what America listens to and what it eats; they are opening up a gap between half a dozen multi-ethnic centres that attract well over half the newcomers, and a much less diverse heartland; indeed, they may change the way the country thinks about everything from abortion to NAFTA.

Even the terms "Latino" and "Asian-American" are problematic. Does it make sense to lump together, say, a computer programmer from Bangalore, a shopkeeper from Seoul and a Hmong tribesman? Around two-thirds of Latinos hail from Mexico, but Texans of Mexican descent like to be called Tejanos, whereas other Mexican-Americans prefer to be known as Chicanos. This survey mostly uses the blanket term Latino because it seems mildly less disliked and more accurate than Hispanic.

For the moment, the effect of the new immigrants has barely begun to be felt. Yet the issues they raise often lurk behind the headlines. One example is the sad tale of Elian Gonzalez, a six-year-old Cuban boy who recently arrived in Miami, having watched his mother drown during an attempted escape from Cuba. He immediately became the subject of a grotesque custody fight between his father (backed by the Cuban government) and his relations in Miami (backed by Cuban émigré groups).

Around the same time the sports pages were dominated by John Rocker, a white Atlanta Braves pitcher from a deprived background who had made unhelpful remarks about multi-racial New York ("The biggest thing I don't like about New York are the foreigners, Asians and Koreans and Vietnamese and Indians and Russians and Spanish people and everything up there. How the hell did they get in this country?"). Mr Rocker was immediately condemned by all concerned, but many Latino politicians worry that he simply spelt out what many people like him feel—and that those feelings could gather strength if the economy loses its fizz.

It has happened before. The Ellis Island wave of



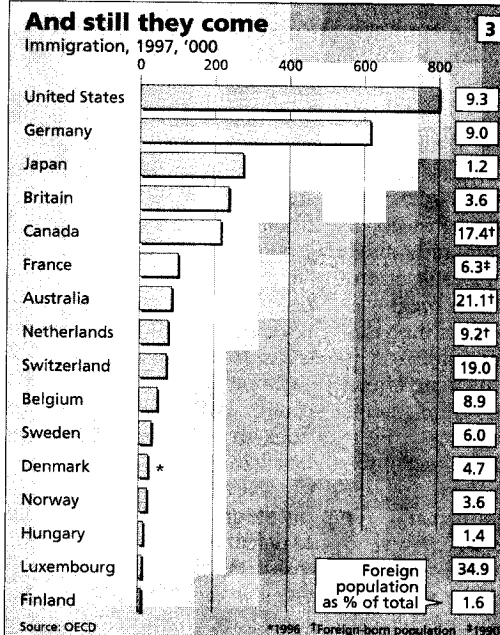
a century ago, now universally considered a good thing, also roused opposition in its time, eventually followed by legislation to stop it. In a nasty flirtation with eugenics in the 1920s, Congress imposed a series of quotas by national origin on immigration. Indeed, the current surge in new arrivals has its origin in the lifting of those quotas in the 1960s. Californians note that whites, who were once so generous to newcomers, are beginning to behave like a minority under pressure.

### Demography is destiny

Americans have a somewhat schizophrenic attitude to immigration. Most polls show that around two-thirds of the population would like to reduce it (with the most recent arrivals often among the most hostile); but the same proportion think that legal immigration is a good thing, and that family members should have the right to bring in their relatives. The explanation may be that immigrants encapsulate the American dream, but they are also responsible for an embarrassing secret. A country built by immigrants, the United States still derives much of its youthful vitality from their presence. Pick up the biography of any American figure, and it will begin "He/his parents/his grandparents came to America with nothing, but...". Silicon Valley is merely the latest American showpiece to be built in large part by immigrants.

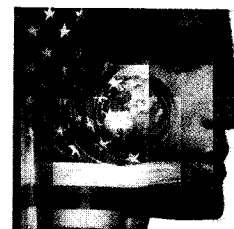
The embarrassing secret is the importance to daily life of illegal immigrants. Every American politician claims to condemn their presence, but without them the domestic life of middle-class America would fall apart; food prices would climb steeply as produce rotted in the fields; hotel rooms would stand uncleaned; swimming pools would become septic tanks; and taxis would disappear from the streets. In short, the country would grind to a halt.

For the most part, the system that has evolved suits both employers, who get cheap and plentiful labour, and employees, who although badly paid earn much more than they would at home. But it still has its problems. Many of those gardeners and



cleaners live in conditions that shame such a rich country. The system also makes an ass of the law. America spends a fortune trying to stop people coming in, often putting their lives at risk, but does next to nothing once they have arrived.

This survey will argue that the current wave of immigration should be viewed with guarded optimism. That is partly because, without immigrants, rich countries tend to get old fast. Europe is beginning to notice that, and so is Japan. But the main justification is the attitude of the immigrants themselves. Whatever the problems, those people came to America because they wanted to be there. Drive along the streets of Los Angeles at seven in the morning, and you will see groups of Latino men gathered at street corners and in car parks, waiting to work long hours for low pay. If America squanders their enthusiasm, it will not be their fault.



## Give me your tired, your confused

IN THE argument about immigration, the border plays a large and perhaps exaggerated part. For supporters, America's frontier is the place where the adventure begins; heroic or tragic stories abound about people trying to break into America. In January, three Chinese stowaways from Hong Kong lost their lives crossing the Pacific in shipping containers to reach the place known, poetically, as *Gum San* (mountain of gold).

Nativists, for their part, regard the border as a small picket fence holding back a flood of semi-criminals. Smuggling people into America has become a huge business, they point out. Illegal immigrants from China often pay \$50,000 a head to get to *Gum San*. Various parts of southern Texas, California and Arizona seem to have become as leaky as a sieve. Billions of dollars have been spent on strengthening the border with Mexico, and Congress is now pressing to defend America's "unpro-

tected" northern border against terrorists sneaking in from Canada. A new law, due to come into effect next year, will try to track all foreign visitors in America.

But for most immigrants, arriving in America is a mundane affair. About eight out of ten of the new Americans come into the country legally in the first instance. The 700,000 legal immigrants each year obviously have visas of one sort or another, but so do around half the 300,000 illegals (who become "illegal" by overstaying their welcome).

### Creative chaos

What all immigrants discover sooner or later is that America's immigration law is a cumbersome mess. Most people blame this on the Immigration and Naturalisation Service. The INS is certainly inefficient. The phrase "INS data" is an acknowledged oxymoron, and there is a huge backlog of applica-

*America's immigration system is a mess—which suits most people*

## Let me in

**L**IKE so many other revolutions, America's ethnic makeover officially dates back to the 1960s. In 1965, Congress dropped the hated national quotas it had imposed in the 1920s. Instead, it brought in quotas that favoured family ties. In some ways the act was a surrender to the status quo. Even before it was introduced, a large majority of the visas granted had been family ones. And it seemed to have little immediate effect: the current wave of mass immigration did not start until the 1980s.

Most immigrants fall into one of the following five categories:

- Family members, who account for around two-thirds of those coming to America. An American citizen can sponsor a spouse, child, parent or sibling. A holder of a green card (work permit) can sponsor a spouse, child or sibling. Around three-quarters of new family immigrants are spouses or children. In principle, though, the current system offers any resourceful group of people the chance to bring in an almost unlimited number of relatives.

Back in 1965, nobody really associated the change in law with a change in the country's ethnic composition. At the time, the main source of foreign immigrants was Europe. The main beneficiaries of the family system, however, have clearly been Latinos and Asians.

- Officially, around 140,000 employment-related green cards in half a dozen categories are available each year. But, thanks

to the long backlog in applications being processed by the Immigration and Naturalisation Service, last year only 40,000 green cards were issued. Under pressure from employers in Silicon Valley, Congress bumped up the number of "temporary" H-1B visas for highly skilled people from 65,000 a year in 1998 to 115,000 a year, and there are moves to increase the figure again. The Information Technology Association of America claims that some 340,000 skilled positions in American companies remain unfilled.

Most H-1B visa holders go on to apply for green cards, which would appear to defeat the "temporary" nature of H-1B visas. However, the delays in issuing green cards can be interminable (in California, the average wait is now around six years), and the limit of 9,800 employment-based green cards for people from



Most just walk through the door

to the organisation recently boasted that it had cut the time it takes to become a citizen from 28 to 12 months. But the wait for green cards (work permits) is legendary and lengthening. Linus Torvalds, the creator of the Linux computer operating system and a man most governments would pay good money to have in their country, applied for his green card in August 1998; he is still waiting.

### Don't shoot the messenger

However, most of the problem lies with the laws themselves, not their enforcers. The rules that govern immigrants' entry into America and their legal status thereafter are, in turn, contradictory, disingenuous, hypocritical, downright cruel and ridiculously over-generous. Were they to be efficiently enforced, the result would be total chaos.

The muddle begins with the selection of the people who are allowed in (see box). It continues with their treatment once they arrive. Despite all the talk about freedom and equality, America has al-

any one country hits certain countries disproportionately hard: green cards for Indian and Chinese applicants, for example, always run out well before the end of the year.

- America has a long and noble tradition of opening its doors to refugees, but it has contradictory (as well as increasingly tough) rules about who qualifies as one. All Cubans who arrive in Miami (or anywhere else) are welcomed with open arms; Haitians are not. In 1999, only 38% of all those seeking asylum received it. And, thanks to new laws, most of those waiting for their cases to be heard spend their time in county jails, often for months on end.

However, some immigrants certainly cheat. For instance, Amadou Diallo, a young street hawker from Guinea who died in a police shooting in New York last year, claimed that he was a victim of ethnic cleansing and his parents had been killed; in fact he came from a middle-class family and both his parents were alive.

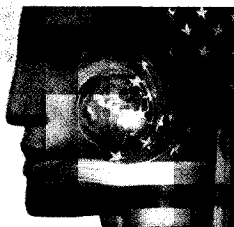
- An extra 50,000 green cards are handed out each year in a lottery. Around 7m people apply. The lottery is subject to diversity rules limiting the number from any particular country. Countries with powerful political connections—notably Ireland—get a disproportionate number of cards.

- Nobody knows how many illegal immigrants there are. The INS put the figure in 1996 at 5m, which many people regard as low. Around 300,000 a year are thought to sneak in, and most seem to escape detection fairly easily.

ways had a fairly strict class system. As Luis Plascencia of the Tomas Rivera Policy Institute at the University of Texas points out, the concept of "we the people" originally implied only "white propertied males"; and from the very beginning, the idea of the American nation excluded the separate nation of American Indians. Since then, immigrants have often been among those to whom nationality was denied. In the 19th century, a whole body of law was built up to fence off Chinese contract labourers. Asian-Americans got the vote only 50 years ago.

Wholesale discrimination has gone, except for communists and criminals, but America still divides its inhabitants into five groups, each with its own legal status: foreigners without papers who are intercepted at the borders; illegal immigrants living in America; visa holders; legal permanent residents (usually green-card holders); and full citizens. Which category you are in makes all the difference.

A foreigner at the border has virtually no rights; under a controversial 1996 law, border guards



**Invasion by stealth**

Illegal aliens, 1996 estimates, '000

4

Top countries of origin	Top states of residence
Mexico 2,700	California 2,000
El Salvador 335	Texas 700
Guatemala 165	New York 540
Canada 120	Florida 350
Haiti 105	Illinois 290
Philippines 95	New Jersey 135
Honduras 90	Arizona 115
Poland 70	Massachusetts 85
Nicaragua 70	Virginia 55
Bahamas 70	Washington 52

Source: US Immigration and Naturalisation Service

can remove anybody on the spot without giving them access to a lawyer or judicial review. Last year some 89,000 people were subject to such "expedited removal". Increasingly, longer-term foreign residents are getting similar treatment. Immigrant housewives have been deported for shoplifting. Last November America at long last freed an Egyptian, Nasser Ahmed, whom the FBI had kept locked up for three years on "secret" evidence, not revealed to his lawyers.

The apparently slender gap between full citizenship and permanent residency also offers opportunities for discrimination, particularly at a local level. Cities and states have long earmarked various jobs, in the past including such things as "soda-pop sellers" and "barbers", for American citizens only. The current list includes "peace officers", which can mean anything from chief of police to caretaker at the local cemetery.

California's infamous Proposition 187, passed by referendum in 1994, denied various services to illegal immigrants, including public education and health care. It has since been ruled unconstitutional, but many of its traces remain. Legislation introduced in 1997 barred the use of federal money to pay Medicaid benefits to poor legal immigrants for their first five years. A new law in New York state which extends health coverage to the poor, using revenue from a cigarette tax, denies those benefits to new immigrants.

Then there is the thicket of local laws that just happen to discriminate against immigrants. In Long Island, a few snooty towns have introduced Neighbourhood Preservation Acts, limiting the number of people who can live in any one rented house. The ostensible aim was to improve immigrants' safety. Oddly, though, the law seems designed to exclude summer rentals, so rich Manhattanites are allowed to cram into holiday houses.

Immigrants, especially illegal ones, are also easy to exploit. There is a large network of phoney immigrant lawyers waiting to overcharge people to fix their papers, and an even larger network of people selling Social Security numbers and driving licences. And many employers are apt to bully newcomers. In January, a court forced a Holiday Inn Express to pay \$72,000 to nine illegal maids in compensation for firing them for a unionisation drive; all nine said they would happily trade their windfalls for the right to remain in America.

Life for immigrants, then, can be rough; on the other hand, America often adopts a surprisingly

generous "don't ask, don't tell" attitude towards illegal immigration. Its law in this respect is rather like a hedgehog: it has a hard, prickly exterior (as exemplified by the fence the height of two men that now runs along some stretches of the southern border), but its centre is surprisingly soft.

Some of this generosity has to do with simple human decency, often mandated by the courts. For instance, since a 1982 court ruling in Texas, public education has been made available to the children of illegal immigrants. The Equal Opportunities Commission has ruled that illegals should be protected from discrimination, just like everybody else. And just as some local authorities find ways to pick on illegals, others try to shield them. San Francisco, a little idiosyncratically, wants to make itself "a city of refuge" for gay illegals, banning city workers from helping to deport same-sex partners.

The central contradiction, however, is that Congress has always balanced toughness in stopping illegal immigrants at the border with relative leniency for those who employ the illegals inside the country. Until 1986, the law said explicitly that there was no penalty for employing an undocumented alien (though to be one was illegal). Now there are nominal fines and penalties. But the system is still lax. For instance, when a new employee gives his Social Security number, the employer is under no strong obligation to check it; moreover, there is a law preventing the Social Security system from reporting a fake number to the INS.

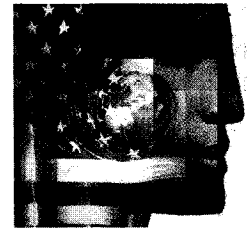
**When would you like your surprise raid?**

More galling to the purist are the industries that rely on the blatant large-scale employment of illegal immigrants. Visit any farm in California's Central Valley, any orchard in Florida, any slaughterhouse in Iowa, any restaurant kitchen in New York or indeed the garden of any middle-class suburbanite not running for political office, and undocumented workers are everywhere. The INS does sometimes make spot checks, but it nearly always tells the employer beforehand, which ensures that on the day many workers happen to be absent.

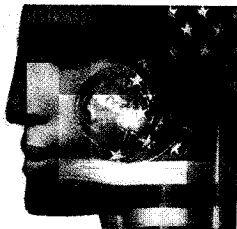
Mark Krikorian of the Centre for Immigration Studies concedes that the INS has a problem. Whenever it makes a half-serious attempt to catch workers, it sets off a stream of protests. For instance, a raid last year on onion growers in Vidalia, Georgia, produced letters of complaint from both the state's senators and three of its congressmen. When the INS recently arrested some 40 illegal Indian software programmers in Texas, it caused a storm.

The contradictions in America's immigration laws are becoming increasingly awkward to live with. Canada is getting cross with a partner who insists on ever freer trade but keeps on erecting barriers at its frontier. Some people ask whether a trade block need necessarily involve the free movement of labour as well as that of capital and goods. In Miami, the Haitian community complains about the favouritism shown to immigrants from Cuba.

One sensible idea supported by many Republican border-state politicians, including George W. Bush, is to simplify and expand a guest-pass system for agricultural workers. Immigrants could come and work for six months a year (which is all that many Mexicans want to do); if they did this for five







out of seven years, they could become eligible for a green card. The scheme has the support of the growers, but unions who worry about keeping farm jobs for Americans (as though there was a queue) are suspicious, and so are many immigrant groups.

The truth about America's immigration muddle is that it suits most people most of the time. Employers—from semiconductor firms to orange growers—get the workers they need, usually fairly cheaply; immigrants make a living and get an education for their children. An illegal farm worker is paid around \$7 an hour, half the rate for a legal one, but double what the same worker could get in Central America. And conservative voters are secure in the knowledge that their frontier is being patrolled, but they

will not have to forgo their indispensable low-cost gardeners or nannies.

The part of America where these contradictions really chafe is the border. The ranchers around Brownsville in east Texas, at the Mexican border, complain that both the chasers and the chased wander across their land. And for the Latinos who make up 80% of the local population, there is the added inconvenience of random checks. In Cameron Park, a poor immigrant area on the fringe of Brownsville, locals say the border guards have reached a rough *modus vivendi* with them: agents stop people in the streets, but seldom enter people's homes. However, that compromise still leaves many people afraid, and also annoys legal residents who resent being stopped. Most of Cameron County's top elected officials have been questioned at one time or another. People joke bitterly about the crime of "driving while Mexican".

Some schemes to import illegals are conducted like slick multinational businesses, but most are amateurish and clumsy. One recent ruse in Arizona involved renting out babies. This was because the border patrol had no family quarters, so if you were caught, the family would be released and told to report back later. South of San Diego, immigrants float up a river so polluted that the border patrol refuses to dive into it.

These ordeals will continue as long as America pursues its present policy of confining any serious efforts to catch people to the places where it is most difficult. Certainly, America's iron curtain has done little to stop people coming in. It may even be pushing up the number of illegals, by persuading seasonal workers to stay all year. To end this tragicomedy, America would need to adopt a different immigration policy. But that would require it first to make up its mind on what it thinks of immigration.



Welcome to Brownsville

## Who gains?

*Not only the immigrants, but America too*

LOOK around Il Fornaio restaurant in Palo Alto, and the whole idea that immigration might be controversial seems as passé as analogue radio. In 1970, whites accounted for 80% of the population of Santa Clara County; last year they became a minority. One in four new businesses in Silicon Valley is started by someone of Indian or Chinese origin. The valley's success is based on merit: it depends on taking the best, wherever in the world they were born. The only debate is about how the authorities can be persuaded to let in more foreign talent.

Daniel Stern takes a different view. The head of the Washington-based Federation for American Immigration Reform argues that his country is being "held hostage by a group of globalists who want nation states to dissolve into some net-zen Utopia." He cites a long list of American heroes, from Benjamin Franklin to Woodrow Wilson, who opposed mass immigration, which he sees as a conspiracy against ordinary working people by big business (which wants cheap workers) and the public-service unions (whose jobs depend on looking after immigrants).

In the mid-1990s much of the running was made by Republicans who wanted to control immigra-

tion, but now a booming economy and the growing importance of immigrant votes have muffled nativists' objections. According to Stephen Moore of the (pro-immigration) Cato Institute, the nativists are changing their tune because their previous claims have become untenable: "Twenty years ago, they said that it would cause unemployment. We have let in another 15m people, and we have the lowest unemployment in living memory."

But as Mr Moore concedes, none of this means that the nativists will go away. To begin with, the economy may stop booming. More fundamentally, though, the case for immigration is not open and shut. Yes, most of the evidence suggests that the current wave of immigration is good for America. But it is not good for everybody; and the general benefits are often harder to identify than the specific costs.

Arguments about the benefits generally revolve around three issues: immigrants' net contribution to the economy; the amount of taxpayers' money they absorb; and the selectiveness of America's immigration rules.

The biggest effort to date to assess how immigration has affected America as a whole was a mam-

moth study carried out for Congress by the National Academy of Sciences in 1997. It concluded that immigration provided a net benefit to the American economy of around \$10 billion, quite a modest sum when set against an \$8 trillion economy. Pro-immigration experts say that the NAS study, which looked mainly at the difference between the wages paid to immigrants and the value of the goods and services they produced, missed the full benefits of importing people with different skills and the gains from a broader range of products and services—not to mention the many businesses started by immigrants. This is probably true, but hard to pin down.

James Smith, an analyst at the Rand Corporation and one of the authors of the NAS report, reckons that the figures could equally well be tilted the other way by isolating the costs of less desirable groups, such as immigrant prisoners. A recent study by the Centre for Immigration Studies showed that immigrants were in fact a little less likely to be self-employed than native Americans.

### The \$300,000 question

Apart from the overall effect on the economy, there are also specific winners and losers from immigration. The most conspicuous winners are legal immigrants. A new study of this group in the 1990s by Mr Smith and others\* shows that for any male newcomer the immediate effect of getting to America is equivalent to winning \$10,000. Over a lifetime, the gain comes out at an impressive \$300,000.

Perhaps surprisingly, some of those who lose out are highly paid workers. Some of the computer programmers ingesting their pasta at Il Fornaio would be paid even more if there were no Indians to snap at their heels. But many of the losers are poor and unskilled Americans. The NAS study reckoned that competition from immigrants (mostly the illegal sort) brought a 3% cut in the wages of locals who had only a high-school certificate. It also concluded that the worst-hit group were usually immigrants from the previous wave.

"The real problem with immigration is not its overall economic impact but its redistributive effect," says George Borjas. A liberal Harvard professor whose parents fled from Cuba, Mr Borjas is hard to caricature as a nativist, but he has become one of the stronger voices arguing for more restrictions on immigration. The rich, he argues, gain from having cheaper nannies. But for America's poor, the arrival of unskilled workers has made it harder to find jobs in an economy that demands ever more education. America, he thinks, needs a breathing space.

The fiscal effects of immigration, like its overall effects on the economy, are a mixed bag. Anti-immigrationists seize on the fact that a native Californian family typically pays around \$1,200 more in state and local taxes than it receives in benefits, whereas immigrants on average are net gainers. Fair enough: immigrants tend to have more children, so they consume more education services than natives.

But the methodology is flawed: the children who count as part of the costs of immigration when they are young are treated as "natives" when they

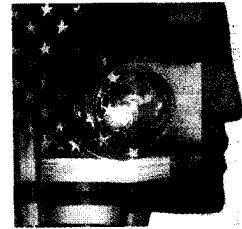
begin to pay taxes. If their taxes were counted as benefits, then immigrant families would usually be seen to contribute more than they take from the state. A study by Ronald Lee at the University of California at Berkeley calculated that taxpayers make a cumulative profit of \$80,000 from each new legal immigrant over his lifetime. But this number has to be treated with caution: it includes the taxes the immigrant's children pay, and most of the benefits come in the later years. On average, most newcomers are a fiscal burden for their first 22 years.

All these numbers, it should be said, rely on complicated guesstimates that can easily change with different assumptions, and they are bedevilled by the problems of counting illegal immigrants. Broadly speaking, most of the numbers suggest that in the long term America gains from immigration—but that the immigrants gain even more.

Opponents of immigration have recently changed tack, and now concentrate on going for higher quality instead of restricting numbers (though they do not put it quite so bluntly). America, they suggest, should use its clout in the market for immigrants to pick only the best—an argument that may gather force in a downturn. Mr Borjas reckons that today's immigrants are not only less skilled than the native population, but also less skilled than their predecessors. He suggests that America should use a points-based system which would take advantage of the investment that the immigrants' country of origin has already made in their education and training.

Such a system, which he concedes would have kept his parents out of America, would be good for Silicon Valley, because it would allow in many more programmers. Indeed, most of the changes in immigration rules over the past decade have been aimed at increasing the number of skilled immigrants. Even supporters of the present rules admit that there are blatant abuses, notably when elderly parents are brought in solely to take advantage of Medicare programmes.

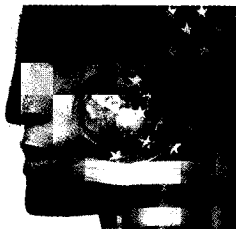
All the same, a push for quality raises three immediate problems. The first is politics. Any move towards a preference for skilled people would dramatically reduce immigration from Latin America,



My broker says I'm economically integrated

\*"The New Immigrant Survey Pilot", by Guillerma Jasso, Douglas Massey, Mark Rosenzweig and James Smith. July 1999, available from Rand Corporation.





and be condemned as racist. And the mathematics are complicated, says Stuart Anderson, a congressional aide and immigration expert—particularly if you want to reduce the overall number of immigrants as well. At the very least, America would continue to let in spouses and minor children, which alone would add up to some 250,000 people a year. To halve total new immigration to 500,000 a year, as Mr Borjas suggests, the number of illegal immigrants would need to be dramatically reduced.

The assumption that the present crop of legal immigrants are underskilled may also need to be revised. Mr Borjas bases his figures on census data that include both legal and illegal immigrants. Mr Smith's detailed study of legal immigrants in the 1990s finds exactly the opposite: that the newcomers' median length of schooling is 13 years, one year more than for the native population, and that new immigrants are more highly educated than their predecessors.

The main economic gain from immigration, however, comes not from the fact that newcomers have more skills, but that they have different ones. Mr Smith's study shows that immigrants, not surprisingly, are far more heterogeneous than the native population. Other studies have shown that the

main benefits to the economy come at both ends of the labour market—at the bottom as well as the top. In America's top six immigration states, not only were three-quarters of all the tailors and more than half the cooks, taxi drivers and farm workers born overseas, but so were 40% of the physics and political-science teachers and more than a quarter of the physicians, chemists and economists.

Yet in the end, all the statistics about immigration probably count for less than one basic fact, which is as true today as it was in the days of Ellis Island. Immigrants, as Mr Moore at the Cato Institute puts it, are a self-selected elite: in a world where nine out of ten people live within 100 miles of their place of birth, they have already taken a big, bold step simply by coming to America.

And even if the restrictionists' doubts turn out to be justified, it may be too late to put the lid back on the pot. The recent wave of immigration has already left large numbers of newcomers permanently settled, and even the harshest cutbacks envisaged would still allow in far more people than the average of 200,000 a year who arrived in the 50 years from 1925 to 1975. For better or worse, America is going to keep on adding more flavours to the melting pot. So is that pot working as it should?

## The mixture as never before

*Every new group of immigrants adds its own distinctive flavour*

THESE immigrants are "the most stupid in the nation, few of their children speak English and through their indiscretion or ours, or both, great disorders may one day arise among us." Latinos? No: the speaker was Benjamin Franklin, and he was talking about German immigrants 200 years ago. A hundred years ago, America still had plenty of German-language newspapers; and doubts about German-Americans' loyalty were finally dispelled only when they took up arms against the Kaiser. Out of all the myths about the melting pot, none is more pernicious than the idea that it once worked perfectly.

One interesting thesis, put forward by Michael Barone in a recent speech to the American Enterprise Institute, is that today's minority groups resemble various immigrant groups of 1900. Blacks today have much in common with the Irish a century

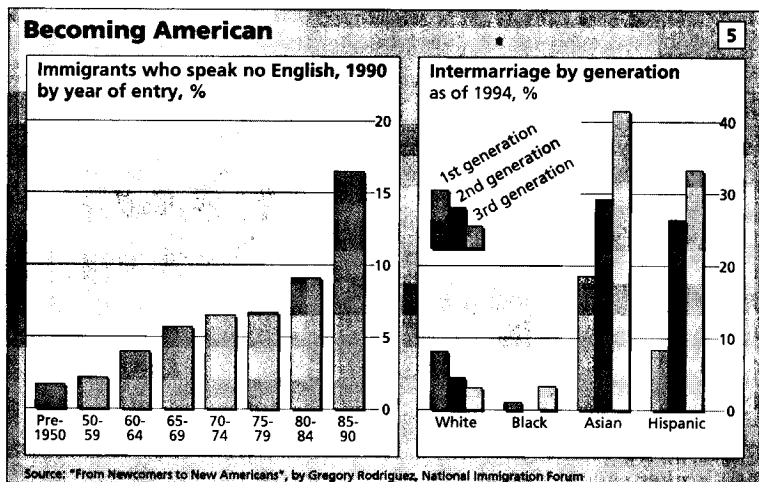
ago; Latinos with the Italians; and Asians with the Jewish immigrants of that time. There are obvious limits to such comparisons, but also useful lessons.

To take just one of Mr Barone's comparisons, most of the Italians of 100 years ago hailed from the rural south. Like many Latinos, they came with a low opinion of politics, a strong sense of family, a habit of hard work, conservative views about the role of women and a tendency to drop out of school. They sent back much of the money they earned. The Little Italys were their *barrios*.

But gradually they assimilated. The breathing space afforded by the 1924 act to restrict immigration helped, and so, in their grim way, did the two world wars. In the second one, many Italian-Americans fought against their mother country; and once they returned, the veterans took advantage of the GI bill to get educated. Frank Sinatra and Joe Di Maggio became national idols. By the 1980s, the assimilation process was complete. "It took 100 years," Mr Barone concluded.

Need it take that long this time? In Britain, Norman Tebbit, a Conservative politician, once devised a way of measuring integration which he dubbed "the cricket test". When England hosted a cricket match against India or Pakistan, why, he asked, did so many British Asians support the visitors rather than their country of residence? For the American equivalents of Lord Tebbit, any soccer match between the United States and Mexico prompts a similar question. On the evidence of the cricket test, Latino integration is still some way off.

What makes it harder is that the debate about America's melting pot is fraught with emotion, and not just from the nativists. The multiculturalists, for example, maintain that "melting pot" is a code word



for enforced assimilation, where "melting", in effect, means turning white. They prefer the image of a salad, with the constituent parts still clearly identifiable (and presumably no dressing). This survey takes a more moderate view: that the melting pot should allow all the flavours to mix, but should allow some fairly big chunks of ethnicity to remain intact, as indeed in America they always have done. What matters is that immigrants assimilate enough to take full advantage of the country that they have often made such an effort to reach.

To see whether that is happening, two main tests are usually applied. First, are the new Americans becoming more "American" in their general behaviour? And second, how well are they doing economically? The two questions are usually linked: if an ethnic group has achieved much the same income distribution as the country as a whole, it is a sign that it has melded into the whole. But they are not always the same: a community can flourish economically but still keep a sense of separateness. In California's Monterey Park, the first city on the American mainland to have a majority Asian population, a Chinese immigrant can lead a life that in terms of language, media and cuisine is not much different from one in Hong Kong. Conversely, some Asian-Americans face economic challenges to assimilation as well. Parts of the Laotian, Vietnamese and Cambodian communities remain wretchedly poor.

However, most of the doubts about the melting pot's efficacy revolve around the Latinos. This is partly because there are so many of them: 32m, of whom roughly half were born outside the United States. But it is also because, at first sight, there appear to be more obvious signs that they are not becoming American fast enough, either culturally or economically.

Begin with the debate about culture. One in five of America's Latinos lives in greater Los Angeles; seven American cities account for half of all Latino immigrants. William Frey, a demographer at the Milken Institute in Los Angeles, refutes the idea that, ethnically, the whole of America will slowly evolve into a nation of Californias. In effect, two very different Americas are emerging. One, centred on the 25 biggest metropolitan areas, is already thoroughly multi-ethnic: whites account for less than 60% of the population, and Hispanics and Asians together account for a quarter. But 147 out of America's 271 metro areas are at least 80% white. In this second America, the biggest demographic change is the arrival not of foreigners but of whites leaving cities in the first group.

In many parts of the south-western United States, English plays a secondary role. Rodolfo de la Garza of the University of Texas in Austin reckons that, unlike 100 years ago, stable bilingualism is now possible. Technology has given Spanish speakers many Hispanic television channels and Internet sites. Cheap travel and geographical proximity mean that Latinos can easily visit their homeland. And, perhaps most important of all, waves of new immigrants are still coming in, which is an incentive for earlier arrivals to keep up their Spanish.

In the eyes of many nativists, these non-melting tendencies are not only being tolerated, but positively encouraged. Miami is a favourite example.



**But his daughter might start another Intel**

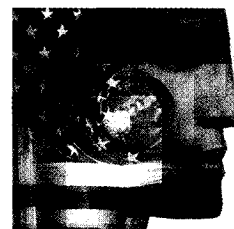
The first big city to come under Latino control certainly speaks Spanish, and is governed by political rules that bear little resemblance to the rest of America. But then Miami, which was built by middle- and upper-class Cubans who assumed they were going to return to Cuba, is pretty unrepresentative of Latino America too.

### **Ampersand Americans**

Is the hyphenated American (eg, Mexican-American) giving way to the ampersand one (Mexican & American)? Mexican-Americans can vote back home, and keep two passports. Some want to go further. Charles Truxillo, a professor of Chicano studies at the University of New Mexico, recently predicted that within 80 years his state, which already has a Hispanic majority, would secede alongside California, southern Colorado, Texas and Arizona to form a new sovereign Hispanic nation, "La Republica del Norte". Latinos in America's south-west, he said, "have been ruled by three empires, Spain, Mexico and the United States. Under all three systems we have failed to achieve self-determination."

In fact, most of the evidence suggests that the latest immigrants are bedding in at least as quickly as their predecessors. Again, modern communications help: when immigrants from Mexico arrive in America, they already know much more about their country of destination than, say, Sicilian immigrants did 100 years ago. A study carried out for the National Immigration Forum last year by Gregory Rodriguez of the New America Foundation shows that on four key indices of assimilation—home ownership, citizenship, learning English and intermarriage—modern immigrants are following much the same pattern as their predecessors. In general, the immersion increases with each generation. Any Latino will have a story about first-generation Spanish-speaking immigrant grandparents struggling to talk to third-generation grandchildren who speak only English. Already the number of Spanish-language cinemas in southern California is plummeting, and Spanglish is spreading.

In the same way, attitudes become more Americanised with each succeeding generation. Most first-generation Latinos oppose abortion, take a fatalistic attitude to life and think a woman's place is in the





home. By the third generation, they feel less strongly about abortion, read improving books such as "The American Dream" by Lionel Sosa, and consider the distinctly undomesticated singer Jennifer Lopez as a role model.

In fact, Latinos seem to take much the same view of assimilation as any other group of immigrants: yes, they want to become more American (if not, why bother coming?) but they also want to retain some aspects of their former way of life. A recent poll by the *Washington Post* of 2,500 Latinos showed that nine out of ten who have newly arrived in America think it is important to change to fit in. But nine out of ten also think it is important to retain part of their ethnic culture. With third-generation Latinos, this proportion rises to 98%. Just as there are Irish-Americans who try to be more Irish than the real thing, there is a growing number of Latinos who have never been to Latin America and can barely speak Spanish, but cherish their Diego Rivera posters.

Nostalgia aside, Latinos in America as a group are poorer than other Americans and do worse at school and at college. Some anti-immigrationists hint they should be regarded as permanently disadvantaged, like black Americans. In the past, Latino politicians were receptive to that idea, calling for special anti-discrimination measures based on affirmative action of the kind demanded by black politicians. But now the Latinos are beginning to point out differences between themselves and the blacks.

Like the blacks, the Latinos are producing a growing middle class; the only question is how to add to its number. Los Angeles now has around 450,000 middle-class Latino households, three times as many as in 1980. Latinos also own 210,000 businesses, compared with 57,000 in 1987. Some of them have even bought farms in the Central Valley. These people have generally become American citizens, speak good English and live in non-Latino areas.



Lopez at home

If Latinos as a whole are poor and undereducated, it is largely because they arrive that way. Out of the newcomers in the *Washington Post* survey, 60% had not finished high school and 40% earned less than \$20,000. Most had no credit cards, and one in three had no driving licence. But those newcomers are keen on hard work; among male Latinos, 80% are working, a higher proportion than in any other group. They also rely least on welfare programmes.

As a general rule, it seems that the longer ago an immigrant arrived, the better off he is likely to be. A study by the Cato Institute in 1998 showed that poverty rates fall below those of natives after around two decades. Mr de la Garza agrees that Latinos are joining the middle class in unprecedented numbers, especially in California, but he does not think that this group is growing as quickly as the Latino population as a whole. For every Latino that moves up, two may stay behind.

Mr Rodriguez retorts that what matters most is that the direction is still upwards. Latinos, he argues, now have a much better infrastructure to call on than ever before. "If you want to start a business, you can talk to a Latino bank manager, lawyer or even venture capitalist who understands what you need." And merely by being there, the new Latino middle class spurs others on.

Joel Kotkin, an urban analyst at Pepperdine University in Los Angeles, is probably closest to the mark when he argues that the real issue is not ethnicity but class. The Latinos' problems are simply those of all poor, undereducated people in a knowledge economy. The wage gap between college students and the rest has widened, and many Latinos are on the wrong side of it. That may not be quite as disastrous as it sounds: one congressional study recently forecast that even five years hence, half the jobs in America would require no more than a high-school diploma. But the public education system will have its work cut out.

## A raw deal

America's schools  
could serve  
immigrants better

"TODAY'S learner is tomorrow's leader." The motto of Public School 220, which nestles beside the Long Island Expressway in Queens, New York, would do nicely for most New Americans. Sooner or later, everything seems to come down to education. But many of the other notes pinned on the boards—sample: "Snowflakes are different, and so are we"—hint at the challenges of trying to teach students who between them speak 26 foreign languages at home.

Even more perhaps than the border, places like PS 220 represent the front line in the immigration debate. All the literature for parents is translated into Chinese, Spanish and Russian. Around 40% of the school's pupils come from Uzbekistan. So many of them arrived with malnutrition and neurological problems that the principal, Athena Galitsis, set up a

special centre in the school to provide primary health care.

This makes the school sound a little grim; in fact, it is a heartening demonstration that public education can work. Its polite, cheerful pupils do well in tests, and morale among the teachers is high. Most of PS 220's virtues are simply those of good schools anywhere. Classes are organised so that pupils cooperate; parents are drawn into everything; and reading and writing in English is encouraged with an almost evangelical enthusiasm ("Drop everything and read something," is another of Ms Galitsis's mottoes). The school used to offer bilingual education in English and Russian, until parents rejected it. Like many other teachers, Ms Galitsis is unenthusiastic about bilingual education. English, she thinks, is the key to getting ahead. According to the



polls, so do most foreign-born parents.

New York is the next target for Ron Unz, a Silicon Valley millionaire who was the guiding force behind California's Proposition 227. This measure replaced bilingual education, which around half the students with poor English were receiving, with crash courses in English. Bilingual education, originally invented as a way to steer funds to poor people in the south-west, has always produced disappointing results. It is now merely a sop to the teachers' unions. Since bilingual education was banned in California about a year ago, test scores have risen. Even more tellingly, the students who were put on the English crash course or into mainstream classes are well ahead of those still stuck in bilingual ones (which a few students have waivers to continue).

### The wrong side of the classroom

Bilingual education is only a small part of the problem, but it is indicative of the raw deal immigrants are getting from America's education system. They are usually stuck in the cities with the most bloated school bureaucracies (half of New York's budget goes on administration). In many parts of Los Angeles, the white middle class has abandoned public education. And multiculturalist wheezes—such as social promotion, whereby children are moved up a grade even if they have failed the exams—have done immigrant children few favours.

One reform that could help is school vouchers, which would allow parents to choose their children's school. In one recent charitable scheme, 168,000 poor New Yorkers applied for 2,500 places. Many good teachers suspect that vouchers would amount to privatisation. But the evidence suggests that good public schools have nothing to fear, and that poor people would benefit most.

Politicians have been little help. Democrats, including most Latino leaders, are unwilling to offend the teachers' unions. Republicans have some bright ideas, but are often scared to use them. Mr Unz's polls show that New York's normally combative mayor, Rudy Giuliani, could surge ahead of Hillary Clinton if he backed a proposition banning bilingual education, but he hasn't.

Many right-wingers aim their fire at the main citadel of multiculturalism, higher education. In both Texas and California, voters have abolished affirmative-action programmes in universities. That may be a good thing in the long term, but in the shorter term it has made life harder for Latinos at a time when a college degree is a vital rung on the ladder of opportunity.

As far as the redoubtable Ms Galtis is concerned, the earlier she can start teaching children the better. The children who go to her small kindergarten outperform those that do not, but she has no space for more. In pre-school education, America still lags behind many other countries with far fewer resources.

All in all, the barriers preventing today's learners from becoming tomorrow's leaders still look worrying high. But immigrants have one enormous advantage: most of them desperately want to learn. That is why many of them have come to America.

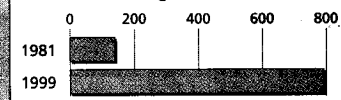
### Imported Babel

6

Languages spoken by at least 1,000 students in southern California who are not proficient in English

Language	Speakers
Spanish	753,505
Vietnamese	20,563
Korean	12,463
Armenian	12,021
Cantonese	9,014
Khmer (Cambodian)	7,169
Mandarin	6,550
Tagalog (Pilipino)	6,474
Arabic	2,857
Japanese	2,630
Farsi (Persian)	2,490
Russian	2,189
Thai	1,205
Lao	1,138
Urdu	1,000

Number of schools in southern California at which ten or more languages are spoken by students not fluent in English



Source: Los Angeles Times

## The next America

GREGORY RODRIGUEZ, a Los Angeles-based writer, has a nice story about a crowd of young Latinos getting into a good-natured wrangle with a white drink-seller at a Latin rock concert at Los Angeles Sports Arena. "What are you going to do?", asks one of the Latinos, gesturing at the huge crowd. "Chuck us all out of the country?" There is a growing self-confidence about the new Americans, particularly the young Latino "Generation ñ". They seem to realise that they have not merely joined a country, but they are going to change it.

Those changes begin with geography. Immigration is dragging the country's centre of gravity ever further south-westwards, most noticeably towards California and Texas. San Diego, which has long made a point of looking squarely north, now boasts about its proximity to Latin America. The fastest-growing states in the country—Nevada, Arizona, Idaho, Utah and Colorado—are getting a boost from immigrants, either directly or indirectly (through white flight).

The same is true for a number of cities (see chart 7, next page). But immigrants have also changed the geography within cities. Many people still associate them with inner-city ghettos, but, as Joel Kotkin, the

Los Angeles urban analyst, points out, their main destination is usually the inner ring of suburbs, leaving the city centres to young, rich, single people of all races and pushing the (usually white) middle class to suburbs further out. This suburbanisation is well under way in most of the places where immigrants are concentrated, including Atlanta, Silicon Valley and New Jersey. But Mr Kotkin's prime model is Los Angeles, especially the huge San Fernando Valley.

The valley has its problems. The gap between white and Latino incomes seems to have widened, largely because much of the white working class has moved out. Some detect racism behind a white-led scheme for the valley to secede from the city of Los Angeles, though its racial make-up—40% Latino, 10% Asian—is little different from the main city. But the overwhelming impression is not of strife but of commerce: specialist Asian supermarkets, Latino clothes shops, Korean restaurants. New Americans are too busy making money or trying to spend it to worry about racial politics.

The networks of immigrant businesses dotted all over California are a tribute to the incomers' entrepreneurship, but they also reflect the lack of imagination by mainstream white business in deal-

*Business is only just waking up to the new Americans*





Does it have my name on it?

ing with the new Americans. The fast growth of specialist Asian supermarkets in southern California has been partly at the expense of their established rivals, who thought that putting out some signs in Chinese and a few herbs would do. While the main TV networks were considering Spanish subtitles, Spanish-speaking Univision stole the market.

A member of the advertising fraternity in Madison Avenue points out that a big car client goes to great lengths to customise its advertisements in Latin America: Argentina, for example, gets a different campaign from Mexico. "But in the United States, they just translate the ad into Spanish, and assume that one size fits all." Well-known examples of successful ethnic marketing by corporate America, such as AT&T's clever campaign to promote international calls, tend to go for the obvious opportunities (eg, immigrants might want to call home).

Latinos control around \$300 billion of spending power, and Asians another \$100 billion. Yet immigrant groups complain about being patronised or ignored by mainstream business. The media are no help. The only conspicuous Asian-American on prime-time TV is Ling, the poisonous lawyer in the series "Ally McBeal". Only 1.5% of the journalists at America's top magazines are Latinos.

### Overwhelming

This will change, if only because the newcomers, being young, will play a growing part in setting the trends. According to Jane Rinzler Buckingham of Youth Intelligence, a marketing consultancy, her fashion spotters increasingly concentrate on immigrant neighbourhoods. But sheer weight of numbers may turn out to be even more important. Ross DeVol at the Milken Institute says that in industries such as health care and housing, some of the best growth prospects lie in tailoring products to immigrants' needs. Newspapers everywhere are beginning to spin off local-language editions. The *San Jose Mercury News* recently launched the *Viet Mercury* to join *Nuevo Mundo*, its Hispanic version. As the editor of *Latina*, a magazine for young girls, explained to *Newsweek*: "Blacks said 'We will overcome'. Our motto is 'We will overwhelm'."

Mainstream American business will find it hard to attract these new customers. Much ethnic marketing is trench warfare, adding consumers almost one by one. But Holly Poirier at Intercultural Niche Strategies suggests that such efforts can be worthwhile. Her firm has helped sell Soviet classical recordings to Russian-Americans; she is also pushing a CD-and-biography deal to Indian fans of Ravi Shankar through some 1,000 Indian shops. The profits may be low, but so are the costs. For \$3,000, she claims, you can mount a credible national campaign in Indian papers that will reach most of the community. The Internet will multiply such opportunities.

Perhaps one reason why so few mainstream businesses have done well in the ethnic marketplace is that only a small number of them are run by new Americans. There are few Latino faces in the boardroom anywhere, and few Asian-American ones except in Silicon Valley. It may be no coincidence that this is also the centre of America's new economy.

### Stirring the pot

Migration to metropolitan areas  
1990-98, '000

7

Rank	Metro	Immigration	Net domestic migration
<b>High-immigration metros</b>			
1	New York	1,045	-1,552
2	Los Angeles	991	-1,425
3	San Francisco	342	-304
4	Chicago	252	-404
5	Miami	213	-38
<b>High domestic-migration metros</b>			
1	Atlanta	53	371
2	Las Vegas	22	308
3	Phoenix	48	294
4	Portland	37	178
5	Denver	36	157

Source: William Frey, Milken Institute

## Now for the ballot box

Gathering the immigrant vote is not easy



THE office of Congressman Xavier Becerra on Sunset Boulevard is an impressive illustration of Latino ascendancy. Copies of *Hispanic Business* magazine sit in the rack; a banner from Mr Becerra's *alma mater*, Stanford University, hangs on the wall; a new computer has just been delivered. Asked to define "Latino issues", Mr Becerra replies that they are much the same as everybody else's—things like jobs, schools and health care—but usually with an extra twist. For instance, whereas most other American voters are fuming about their Health Maintenance Organisations, Latinos are more worried about getting access to an HMO in the first place.

At the other end of the country, another young Democrat, Alex Penelas, who is Cuban-American,

delivers broadly the same message. "I am a bridge builder," says the mayor of Miami-Dade (and the sexiest politician in America, according to *People* magazine). To get elected in Miami-Dade, where Cubans account for only 40% of the vote, and most of them are Republicans to boot, Mr Penelas had to build a coalition that included a number of other Latino groups and blacks. He is now hammering away at issues such as corruption. Mr Penelas's mother was a hotel maid, his father a farm worker; he himself is sometimes mentioned as a running mate for Al Gore.

It is easy to pick holes in these two Latinos' show of modernity. In Miami, Mr Penelas dutifully inveighs against Fidel Castro. But playing the occa-

sional ethnic card is hardly an exclusive Latino preserve (listen to any Kennedy on Ireland). The new thing about politicians like Mr Penelas, Mr Becerra and many of the younger Latino politicians is that they have other cards to play as well.

New York politics was changed by the emergence of two figures: Fiorello LaGuardia, who was half-Jewish and half-Italian and built a multi-ethnic coalition to become mayor in 1933; and Al Smith, an Irish politician who realised that local politics had to bring in other groups, and went on to become governor of New York four times and to run for president. Is history beginning to repeat itself?

In New York, it is not only Latinos, but also Dominicans, Jamaicans and even Russians who are beginning to flex their political muscles. In California, Korean churches have been among the steeliest supporters of conservative causes such as restricting gay rights. Angela Oh, a Los Angeles civil-rights lawyer, says Asian-Americans are spitting with fury about two things: the arrest on spying charges (on minimal evidence, they say) of Wen Ho Lee, a Chinese-American scientist; and the prominence given to Asian donors in the various Clinton fund-raising scandals.

### Be patient

But the Latinos are the ones who matter most, if only because of sheer numbers. And they are finding power elusive because their supporters will not turn out at elections. Despite its large Latino community, Los Angeles is still essentially run by Jews and blacks. Of the city's 15 councillors, only three are Latinos. In the forthcoming mayoral election, Latinos may cast only 20% of the votes, even though they make up 45% of the electorate. It will probably take another election for a Latino mayor to emerge.

In national politics, Latinos make up only around 7% of the likely voters, half the figure for blacks, but they may punch above their weight in the election later this year. Most of their votes are concentrated in states such as California, Florida, New York, New Jersey and Illinois, which enjoy an above-average representation in the electoral college. Intriguingly, both Republican candidates, John McCain and George W. Bush, have won majorities of Latino voters in their home states.

Latinos are strong believers in the family and most of them work in the private sector, but in the past they have mostly voted Democratic: in 1996, 72% of them plumped for Bill Clinton. Of America's elected Latinos, some 90% are Democrats. But there are differences. Cubans in Miami and Mexican-Americans in Texas tend to be much more conservative than, say, Puerto Ricans in New York and Mexican-Americans in California.

If Latinos are mainly in the Democratic camp, it is largely thanks to a Republican. "Wherever I speak, I can rally support just by mentioning Pete Wilson," says Mr Becerra. The erstwhile governor of California infuriated Latinos by sponsoring Proposition



**Becerra: Latino ascendancy**

187, which cut off benefits to illegal immigrants. Since 1994, 600,000 Latinos have registered to vote in California, most of them as Democrats.

Sherry Bebitch Jeffe, an analyst at Claremont College in southern California, points to another dangerous sign for the Republicans: the increasing importance of Latinos in trade unions, which have managed to halt their decline by recruiting Latino service workers as members. The unions have also been contributing heavily to Latino candidates.

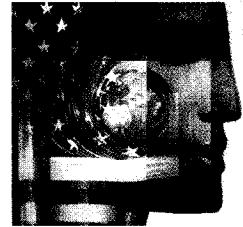
What will Latinos do as and when they gain power? Privately, almost all of them pledge "not to do another Miami". This is a veiled hint at Miami's pervasive corruption, but also reflects a genuine belief that Miami is too separate from the rest of America. Outside Miami, Latino politicians have been much less proprietorial about their fiefs, and Latino voters seem much more inclined than blacks to vote for politicians of any hue.

Yet it would be odd if Latinos did not put their stamp on national politics. A more conservative attitude to abortion and stronger ties with Latin America are sometimes mentioned. Rodolfo de la Garza of the University of Texas thinks that in the longer term the closest political comparison for Latinos will not be Italian-Americans (who have largely stopped being an identifiable constituency) but Jews. Latinos, he thinks, will have "a set of prior commitments", such as improvements in immigration policy. Provided that candidates are offered the chance to honour those commitments, they might give their loyalty to either political party.

### The white minority

It is conceivable that the new Americans' biggest impact on politics will be among whites. Ron Unz, the man who ended bilingual education, points out that white voters in California have begun to assume the political habits of a minority. California's previous generosity to immigrants was rooted in white voters' self-confidence, he says; now that their numbers are declining, they are developing the same protective instincts as any minority group. They are attacking affirmative action and immigrant benefits, and are preparing a new version of Proposition 187.

On the national stage, the only candidate who voices white concerns is Pat Buchanan, now of the Reform Party, who says he wants to reduce the number of immigrants to 250,000 a year. Wander around west Los Angeles, and you will hear complaints about changing neighbourhoods; but you will also see children of all races playing together. The odds are still on the side of the melting pot.



**Penelas: bridge builder**



# Nora, Maria and the American dream

*For America, immigration may hold the secret of eternal youth*

**C**AMERON PARK is a slice of America that few Americans would recognise. This settlement of 2,000 families is just inside Texas, but it gives every impression of being in Mexico: dirt roads, stray dogs, broken-down cars and a lot of children. One of its residents is "Nora", an undocumented 42-year-old Mexican who has been in the country for 12 years. She lives in a caravan trailer with her husband and four children, two of whom are American citizens.

The family finances are tight. Her husband brings in \$200 a month, working as a bricklayer across the border in Matamoros. She gets \$200 in food stamps and \$90 from Aid to Families with Dependent Children. Rent, water and electricity come to about \$100 a month. Occasionally Nora is helped out by the Cameron Park Cultural Centre, a local help group founded by a resident, Gloria Moreno.

Money aside, Nora worries about the border patrol and about what would happen if she became ill. But she is determined to stay in America. Asked why, she points to a photograph that dominates the kitchen wall: a picture of her daughter clutching a high-school certificate. Many of the women in Cameron Park stumbled, pregnant, across the border for the same reason: to give their children a better start.

A few miles on the other side of the border, Maria, who is about the same age as Nora, tells exactly the opposite story. She, too, lives in poverty; her husband, too, is a bricklayer. She has lived almost her entire life in Matamoros, the twin town of Brownsville, and she has never visited the United States. She is, she insists, a Mexican.

## Leap into the dark

Among all the statistics about immigration, a simple fact is sometimes neglected: it is a momentous personal decision. Those who want to come to America, like Nora, will endure a great deal. But there are plenty of people who do not want to come. In the longer term the only real solution to America's "Mexican problem", as an official Californian report

in the 1930s ungenerously called it, is greater economic progress or a lower birth rate to the south. Neither is impossible. Freer trade should certainly help to narrow the present three-to-one wage gap between the United States and Mexico. And other Catholic countries, such as Italy, have shown that a sudden reduction in the birth rate is possible.

But that is in the future. Even if immigration were to be reduced to a trickle within ten years, states such as California, Texas and Florida would still face demographic change of a sort that few countries (and few other American states) can imagine. At the moment American politicians prefer not to talk about that change. Caught between nativism and multiculturalism, they know they cannot win.

There is a strong feeling that it is better simply to leave the melting pot on the stove, and to come back when it has cooked. The transformation that America is now going through will need a generation to take full effect. "Yes, one-third of my country will claim Asian or Hispanic roots by 2050," says James Smith at Rand. "But most of that one-third will also be something else. And our kids will live in that world. We will not." After all, everything worked out all right last time. And when the government has taken active steps to help the new Americans in the past—as with bilingual education—it has often done more harm than good.

Yet leaving the pot on the stove smacks of complacency. Whatever your reading of history, the Ellis Island immigrants were not just left to stew: laws were changed, wars fought, the English language imposed. Moreover, this time round the demographic changes may be not just quicker, but more important. If you believe even a fragment of the hype about the new economy, then education, above all, clearly cannot just be left alone. The contradictions and injustices in America's immigration laws may become even more glaring. And if you want to keep yourself awake at night, you can think about white-minority politics and La Republica del Norte.

One event may come to be seen as pivotal to all this: the Los Angeles riots in 1992. Pessimists need only play the tape of Rodney King, the black motorist whose beating began the whole horror, muttering to himself: "Why can't we all just get along?" But optimists, too, have come away with a lot from that episode. Los Angeles has rebuilt itself, and it is immigrants who have done most of the rebuilding.

And that is the right note on which to end: change, surely, is not a problem, but an opportunity. Thanks to immigration, America has once again assembled a team of people who, simply by having made the journey to their new country, have shown their willingness to compete and their belief in the American dream. Look around the United States—not only at the affluent Indian programmers in Silicon Valley and the newly self-confident Latino middle class in Los Angeles, but at the undernourished Uzbek children in Queens or the wretched Tejanos in Cameron Park—and you will find the drive is still there. The rest of the country must not waste it.

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